



RANDOLPH COUNTY, MISSOURI

TWO YEARS ENDED DECEMBER 31, 1998

**From The Office Of State Auditor  
Claire McCaskill**

Report No. 99-78  
September 16, 1999

# AUDIT REPORT



Office Of The  
State Auditor Of Missouri  
Claire McCaskill

September 1999

**IMPORTANT:** The Missouri State Auditor is required by Missouri law to conduct audits only once every four years in counties, like Randolph, which do not have a county auditor. However, to assist such counties in meeting federal audit requirements, the State Auditor will also perform a financial and compliance audit of various county operating funds every two years. This voluntary service to Missouri counties can only be provided when state auditing resources are available and does not interfere with the State Auditor's constitutional responsibility of auditing state government.

Once every four years, the State Auditor's statutory audit will cover additional areas of county operations, as well as the elected county officials, as required by Missouri's Constitution.

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This audit of Randolph County was a financial and compliance audit of various county operating funds.

The audit includes some matters upon which the county should consider and take appropriate corrective action.

**Copies of the audit are available upon request.**

YELLOW SHEET

RANDOLPH COUNTY, MISSOURI

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## FINANCIAL SECTION

## State Auditor's Reports





**CLAIRE C. McCASKILL**  
**Missouri State Auditor**

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL  
STATEMENTS AND SUPPLEMENTARY SCHEDULE OF  
EXPENDITURES OF FEDERAL AWARDS**

To the County Commission  
and  
Officeholders of Randolph County, Missouri

We have audited the accompanying special-purpose financial statements of various funds of Randolph County, Missouri, as of and for the years ended December 31, 1998 and 1997, as identified in the table of contents. These special-purpose financial statements are the responsibility of the county's management. Our responsibility is to express an opinion on these special-purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the special-purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the special-purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

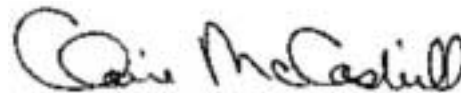
The accompanying special-purpose financial statements were prepared for the purpose of presenting the receipts, disbursements, and changes in cash of various funds of Randolph County, Missouri, and comparisons of such information with the corresponding budgeted information for various funds of the county and are not intended to be a complete presentation of the financial position and results of operations of those funds or of Randolph County.

In our opinion, the special-purpose financial statements referred to in the first paragraph present fairly, in all material respects, the receipts, disbursements, and changes in cash of various funds of Randolph County, Missouri, and comparisons of such information with the corresponding budgeted information for various funds of the county as of and for the years ended December 31, 1998 and 1997, in conformity with the comprehensive basis of accounting discussed in Note 1, which is a basis of accounting other than generally accepted accounting principles.

Randolph County, Missouri, has not presented the disclosures required by Governmental Accounting Standards Board (GASB) Technical Bulletin 98-1, *Disclosures about Year 2000 Issues*, as amended by GASB Technical Bulletin 99-1, that the GASB has determined are necessary to supplement, although not be a part of, the basic financial statements. In addition, we do not provide assurance that the county is or will become year 2000-compliant, that the county's year 2000 remediation efforts will be successful in whole or in part, or that parties with which the county does business are or will become year 2000-compliant.

In accordance with *Government Auditing Standards*, we also have issued our report dated May 27, 1999, on our consideration of the county's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants.

The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the special-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the special-purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the special-purpose financial statements taken as a whole.

A handwritten signature in dark ink, appearing to read "Claire McCaskill". The signature is fluid and cursive, with the first name "Claire" written in a larger, more prominent script than the last name "McCaskill".

Claire McCaskill  
State Auditor

May 27, 1999 (fieldwork completion date)



**CLAIRE C. McCASKILL**  
**Missouri State Auditor**

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE  
AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the County Commission  
and  
Officeholders of Randolph County, Missouri

We have audited the special-purpose financial statements of various funds of Randolph County, Missouri, as of and for the years ended December 31, 1998 and 1997, and have issued our report thereon dated May 27, 1999. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

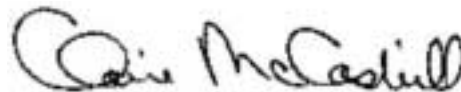
As part of obtaining reasonable assurance about whether the special-purpose financial statements of various funds of Randolph County, Missouri, are free of material misstatement, we performed tests of the county's compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of noncompliance, which we have reported to the management of the county in the accompanying Letter on Other Matters.

Internal Control Over Financial Reporting

In planning and performing our audit of the special-purpose financial statements of various funds of Randolph County, Missouri, we considered the county's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the special-purpose financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material

weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the special-purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting, which we have reported to the management of the county in the accompanying Letter on Other Matters.

This report is intended for the information of the management of Randolph County, Missouri; federal awarding agencies and pass-through entities; and other applicable government officials. However, this report is a matter of public record and its distribution is not limited.

A handwritten signature in black ink, reading "Claire McCaskill". The signature is written in a cursive, flowing style.

Claire McCaskill  
State Auditor

May 27, 1999 (fieldwork completion date)

## Financial Statements

Exhibit A-1

RANDOLPH COUNTY, MISSOURI  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - VARIOUS FUNDS  
YEAR ENDED DECEMBER 31, 1998

Fund	Cash, January 1	Receipts	Disbursements	Cash, December 31
General Revenue	\$ -10,440	2,610,092	2,687,996	-88,344
Special Road and Bridge	1,167,876	1,498,658	1,492,712	1,173,822
Assessment	183,650	233,359	232,424	184,585
Law Enforcement Training	13,404	7,442	8,084	12,762
Prosecuting Attorney Training	666	3,503	1,799	2,370
Recorder's User Fee	19,802	12,629	15,134	17,297
Domestic Abuse	1,237	1,252	1,799	690
Health Center	7,930	2,147,603	2,137,239	18,294
Sheriff	8,281	65,699	57,782	16,198
Local Emergency Planning Commission	8,467	4,817	1,384	11,900
Circuit Clerk Interest	11,729	7,584	6,726	12,587
Associate Circuit Division Interest	1,987	815	251	2,551
Cemetery Trust	29,380	1,712	1,510	29,582
Law Library	5,035	5,572	6,665	3,942
Juvenile Officer Tutoring	819	500	708	611
Prosecuting Attorney Bad Check	22,174	53,321	63,450	12,045
Prosecuting Attorney Delinquent Tax	2,244	1,530	1,981	1,793
Parenting Class	0	245	0	245
Total	\$ 1,474,241	6,656,333	6,717,644	1,412,930

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit A-2

RANDOLPH COUNTY, MISSOURI  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - VARIOUS FUNDS  
YEAR ENDED DECEMBER 31, 1997

Fund	Cash, January 1	Receipts	Disbursements	Cash, December 31
General Revenue	\$ 28,223	2,491,400	2,530,063	-10,440
Special Road and Bridge	1,233,498	1,673,901	1,739,523	1,167,876
Assessment	191,504	218,834	226,688	183,650
Law Enforcement Training	12,421	5,302	4,319	13,404
Prosecuting Attorney Training	494	2,909	2,737	666
Recorder's User Fee	18,335	9,969	8,502	19,802
Domestic Abuse	1,310	960	1,033	1,237
Health Center	9,882	2,583,158	2,585,110	7,930
Sheriff	0	20,781	12,500	8,281
Local Emergency Planning Commission	0	9,391	924	8,467
Circuit Clerk Interest	11,827	5,880	5,978	11,729
Associate Circuit Division Interest	1,447	912	372	1,987
Cemetery Trust	28,974	1,331	925	29,380
Law Library	1,141	4,368	474	5,035
Juvenile Officer Tutoring	1,415	1,000	1,596	819
Prosecuting Attorney Bad Check	17,843	60,710	56,379	22,174
Prosecuting Attorney Delinquent Tax	1,139	1,324	219	2,244
Total	\$ 1,559,453	7,092,130	7,177,342	1,474,241

The accompanying Notes to the Financial Statements are an integral part of this statement.

## Exhibit B

RANDOLPH COUNTY, MISSOURI  
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
GENERAL REVENUE FUND

Year Ended December 31,							
1998				1997			
			Variance Favorable (Unfavorable)			Variance Favorable (Unfavorable)	
	Budget	Actual		Budget	Actual		
RECEIPTS							
Property taxes	\$	437,617	387,582	-50,035	411,695	367,849	-43,846
Sales taxes		945,000	964,460	19,460	940,000	944,390	4,390
Intergovernmental		526,711	597,953	71,242	345,245	545,485	200,240
Charges for services		455,851	537,672	81,821	425,050	489,254	64,204
Interest		20,000	17,226	-2,774	20,000	15,691	-4,309
Other		22,310	49,650	27,340	14,310	30,831	16,521
Transfers in		132,400	55,549	-76,851	148,412	97,900	-50,512
Total Receipts		2,539,889	2,610,092	70,203	2,304,712	2,491,400	186,688
DISBURSEMENTS							
County Commission		69,061	67,971	1,090	67,844	67,538	306
County Clerk		83,505	78,189	5,316	82,000	79,570	2,430
Elections		36,000	33,215	2,785	24,150	14,007	10,143
Buildings and grounds		64,200	60,977	3,223	70,850	78,539	-7,689
Employee fringe benefits		305,200	300,967	4,233	287,950	282,381	5,569
County Treasurer		31,000	27,569	3,431	23,775	23,458	317
County Collector		85,543	85,043	500	81,928	81,955	-27
Ex Officio Recorder of Deeds		61,537	61,691	-154	61,412	60,720	692
Circuit Clerk		33,820	28,027	5,793	28,750	24,813	3,937
Associate Circuit Court		71,320	6,655	64,665	27,870	5,253	22,617
Associate Circuit (Probate)		19,982	19,158	824	22,782	13,835	8,947
Court administration		16,905	8,890	8,015	16,615	6,390	10,225
Public Administrator		39,450	40,754	-1,304	500	26,141	-25,641
Sheriff		507,972	488,783	19,189	473,608	468,566	5,042
Jail		399,498	618,327	-218,829	334,375	381,448	-47,073
Prosecuting Attorney		224,829	211,385	13,444	165,049	176,595	-11,546
Juvenile Officer		379,938	344,423	35,515	415,946	349,025	66,921
County Coroner		11,874	9,540	2,334	12,200	11,787	413
Public Defender		4,836	4,836	0	4,838	4,836	2
Jury Commission		3,400	0	3,400	3,400	1,384	2,016
Other		191,057	191,596	-539	386,741	256,822	129,919
Repayment of loan from Special Road and Bridge Fund		0	0	0	0	115,000	-115,000
Emergency Fund		75,000	0	75,000	69,150	0	69,150
Total Disbursements		2,715,927	2,687,996	27,931	2,661,733	2,530,063	131,670
RECEIPTS OVER (UNDER) DISBURSEMENTS							
CASH, JANUARY 1		-176,038	-77,904	98,134	-357,021	-38,663	318,358
		-10,440	-10,440	0	28,223	28,223	0
CASH, DECEMBER 31	\$	-186,478	-88,344	98,134	-328,798	-10,440	318,358

The accompanying Notes to the Financial Statements are an integral part of this statement.



Exhibit C

RANDOLPH COUNTY, MISSOURI  
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
SPECIAL ROAD AND BRIDGE FUND

Year Ended December 31,							
1998				1997			
			Variance Favorable			Variance Favorable	
	Budget	Actual	(Unfavorable)	Budget	Actual	(Unfavorable)	
RECEIPTS							
Property taxes	\$	406,293	387,056	-19,237	436,278	414,523	-21,755
Intergovernmental		1,096,800	1,008,943	-87,857	947,100	1,059,578	112,478
Charges for services		300	923	623	0	250	250
Interest		75,000	71,538	-3,462	78,000	74,493	-3,507
Other		12,000	30,198	18,198	5,000	10,057	5,057
Loan repayment from General Revenue Fund		0	0	0	115,000	115,000	0
Total Receipts		1,590,393	1,498,658	-91,735	1,581,378	1,673,901	92,523
DISBURSEMENTS							
Salaries		393,610	390,304	3,306	391,000	364,744	26,256
Employee fringe benefits		121,200	115,989	5,211	117,300	116,167	1,133
Supplies		35,000	25,899	9,101	174,600	30,903	143,697
Insurance		40,000	33,069	6,931	20,752	26,641	-5,889
Road and bridge materials		226,000	260,866	-34,866	61,000	199,434	-138,434
Equipment repairs		77,000	74,825	2,175	80,000	67,950	12,050
Rentals		80,000	66,748	13,252	80,000	103,641	-23,641
Equipment purchases		250,000	114,807	135,193	504,000	241,065	262,935
Construction, repair, and maintenance		325,000	239,522	85,478	783,000	407,578	375,422
Other		141,500	125,683	15,817	59,500	130,400	-70,900
Transfers out		48,000	45,000	3,000	126,500	51,000	75,500
Total Disbursements		1,737,310	1,492,712	244,598	2,397,652	1,739,523	658,129
RECEIPTS OVER (UNDER) DISBURSEMENTS		-146,917	5,946	152,863	-816,274	-65,622	750,652
CASH, JANUARY 1		1,167,876	1,167,876	0	1,233,498	1,233,498	0
CASH, DECEMBER 31	\$	1,020,959	1,173,822	152,863	417,224	1,167,876	750,652

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit D

RANDOLPH COUNTY, MISSOURI  
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
ASSESSMENT FUND

Year Ended December 31,							
1998				1997			
		Variance Favorable (Unfavorable)			Variance Favorable (Unfavorable)		
	Budget	Actual		Budget	Actual		
RECEIPTS							
Intergovernmental	\$	234,744	217,696	-17,048	204,100	203,156	-944
Charges for services		2,000	2,073	73	0	1,960	1,960
Interest		12,000	13,515	1,515	12,000	12,877	877
Other		0	75	75	2,200	841	-1,359
Total Receipts		248,744	233,359	-15,385	218,300	218,834	534
DISBURSEMENTS							
Assessor		239,900	232,424	7,476	203,838	205,788	-1,950
Transfers out		0	0	0	20,900	20,900	0
Total Disbursements		239,900	232,424	7,476	224,738	226,688	-1,950
RECEIPTS OVER (UNDER) DISBURSEMENTS		8,844	935	-7,909	-6,438	-7,854	-1,416
CASH, JANUARY 1		183,650	183,650	0	191,504	191,504	0
CASH, DECEMBER 31	\$	192,494	184,585	-7,909	185,066	183,650	-1,416

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit E

RANDOLPH COUNTY, MISSOURI  
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
LAW ENFORCEMENT TRAINING FUND

		Year Ended December 31,					
		1998			1997		
		Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS							
Charges for services	\$	5,300	7,442	2,142	4,500	5,302	802
Total Receipts		5,300	7,442	2,142	4,500	5,302	802
DISBURSEMENTS							
Sheriff		6,050	8,084	-2,034	5,500	4,319	1,181
Total Disbursements		6,050	8,084	-2,034	5,500	4,319	1,181
RECEIPTS OVER (UNDER) DISBURSEMENTS		-750	-642	108	-1,000	983	1,983
CASH, JANUARY 1		13,404	13,404	0	12,421	12,421	0
CASH, DECEMBER 31	\$	12,654	12,762	108	11,421	13,404	1,983

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit F

RANDOLPH COUNTY, MISSOURI  
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
PROSECUTING ATTORNEY TRAINING FUND

		Year Ended December 31,					
		1998			1997		
		Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS							
Charges for services	\$	2,750	3,503	753	2,500	2,909	409
Total Receipts		2,750	3,503	753	2,500	2,909	409
DISBURSEMENTS							
Prosecuting Attorney		2,725	1,799	926	2,500	2,737	-237
Total Disbursements		2,725	1,799	926	2,500	2,737	-237
RECEIPTS OVER (UNDER) DISBURSEMENTS		25	1,704	1,679	0	172	172
CASH, JANUARY 1		666	666	0	494	494	0
CASH, DECEMBER 31	\$	691	2,370	1,679	494	666	172

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit G

RANDOLPH COUNTY, MISSOURI  
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
RECORDER'S USER FEE FUND

Year Ended December 31,						
1998				1997		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Charges for services	\$ 9,000	11,390	2,390	9,000	9,285	285
Interest	650	1,239	589	800	684	-116
Total Receipts	9,650	12,629	2,979	9,800	9,969	169
DISBURSEMENTS						
Recorder of Deeds	12,935	15,134	-2,199	21,000	8,502	12,498
Total Disbursements	12,935	15,134	-2,199	21,000	8,502	12,498
RECEIPTS OVER (UNDER) DISBURSEMENTS	-3,285	-2,505	780	-11,200	1,467	12,667
CASH, JANUARY 1	19,802	19,802	0	18,335	18,335	0
CASH, DECEMBER 31	\$ 16,517	17,297	780	7,135	19,802	12,667

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit H

RANDOLPH COUNTY, MISSOURI  
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
DOMESTIC ABUSE FUND

		Year Ended December 31,					
		1998			1997		
		Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS							
Charges for services	\$	1,000	1,252	252	1,000	960	-40
Total Receipts		1,000	1,252	252	1,000	960	-40
DISBURSEMENTS							
Shelter		1,000	1,749	-749	1,000	1,000	0
Other		35	50	-15	50	33	17
Total Disbursements		1,035	1,799	-764	1,050	1,033	17
RECEIPTS OVER (UNDER) DISBURSEMENTS		-35	-547	-512	-50	-73	-23
CASH, JANUARY 1		1,237	1,237	0	1,310	1,310	0
CASH, DECEMBER 31	\$	1,202	690	-512	1,260	1,237	-23

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit I

RANDOLPH COUNTY, MISSOURI  
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
HEALTH CENTER FUND

Year Ended December 31,						
1998				1997		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Property taxes	\$ 400,000	406,662	6,662	397,595	411,067	13,472
Intergovernmental	445,000	565,345	120,345	257,375	402,486	145,111
Charges for services	1,571,500	1,075,525	-495,975	1,979,191	1,665,074	-314,117
Interest	0	4,557	4,557	0	4,793	4,793
Other	30,000	95,514	65,514	25,690	99,738	74,048
Total Receipts	2,446,500	2,147,603	-298,897	2,659,851	2,583,158	-76,693
DISBURSEMENTS						
Salaries	1,674,000	1,483,765	190,235	1,821,444	1,704,390	117,054
Office expenditures	215,000	99,028	115,972	245,025	237,042	7,983
Equipment	42,000	37,170	4,830	67,343	65,137	2,206
Mileage and training	65,500	46,951	18,549	96,452	66,986	29,466
Fringe benefits	300,000	278,632	21,368	310,022	267,957	42,065
Contract labor	116,000	191,266	-75,266	88,001	190,027	-102,026
Other	14,500	427	14,073	28,402	53,571	-25,169
Total Disbursements	2,427,000	2,137,239	289,761	2,656,689	2,585,110	71,579
RECEIPTS OVER (UNDER) DISBURSEMENTS	19,500	10,364	-9,136	3,162	-1,952	-5,114
CASH, JANUARY 1	0	7,930	7,930	0	9,882	9,882
CASH, DECEMBER 31	\$ 19,500	18,294	-1,206	3,162	7,930	4,768

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit J

RANDOLPH COUNTY, MISSOURI  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
SHERIFF FUND

Year Ended December 31,			
1998			
	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS			
Intergovernmental	\$ 0	11,214	11,214
Charges for services	40,000	53,862	13,862
Interest	150	623	473
Total Receipts	40,150	65,699	25,549
DISBURSEMENTS			
Sheriff	40,150	57,782	-17,632
Total Disbursements	40,150	57,782	-17,632
RECEIPTS OVER (UNDER) DISBURSEMENTS	0	7,917	7,917
CASH, JANUARY 1	8,281	8,281	0
CASH, DECEMBER 31	\$ 8,281	16,198	7,917

The accompanying Notes to the Financial Statements are an integral part of this statement.



Exhibit K

RANDOLPH COUNTY, MISSOURI  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
LOCAL EMERGENCY PLANNING COMMISSION FUND

Year Ended December 31,			
1998			
	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS			
Intergovernmental	\$ 2,500	4,363	1,863
Interest	100	454	354
Total Receipts	2,600	4,817	2,217
DISBURSEMENTS			
Mileage and training	1,500	1,240	260
Equipment	1,000	94	906
Other	0	50	-50
Total Disbursements	2,500	1,384	1,116
RECEIPTS OVER (UNDER) DISBURSEMENTS	100	3,433	3,333
CASH, JANUARY 1	8,467	8,467	0
CASH, DECEMBER 31	\$ 8,567	11,900	3,333

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit L

RANDOLPH COUNTY, MISSOURI  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
CIRCUIT CLERK INTEREST FUND

Year Ended December 31,			
1998			
	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS			
Interest	\$ 4,440	7,584	3,144
Total Receipts	4,440	7,584	3,144
DISBURSEMENTS			
Circuit Clerk	13,900	6,726	7,174
Total Disbursements	13,900	6,726	7,174
RECEIPTS OVER (UNDER) DISBURSEMENTS	-9,460	858	10,318
CASH, JANUARY 1	11,729	11,729	0
CASH, DECEMBER 31	\$ 2,269	12,587	10,318

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit M

RANDOLPH COUNTY, MISSOURI  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
ASSOCIATE CIRCUIT DIVISION INTEREST FUND

Year Ended December 31,			
1998			
	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS			
Interest	\$ 400	815	415
Total Receipts	400	815	415
DISBURSEMENTS			
Associate Circuit Division	1,500	251	1,249
Total Disbursements	1,500	251	1,249
RECEIPTS OVER (UNDER) DISBURSEMENTS	-1,100	564	1,664
CASH, JANUARY 1	1,987	1,987	0
CASH, DECEMBER 31	\$ 887	2,551	1,664

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit N

RANDOLPH COUNTY, MISSOURI  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
CEMETERY TRUST FUND

Year Ended December 31,			
1998			
	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS			
Interest	\$ 1,331	1,712	381
Total Receipts	1,331	1,712	381
DISBURSEMENTS			
Cemetery expenditures	925	1,510	-585
Total Disbursements	925	1,510	-585
RECEIPTS OVER (UNDER) DISBURSEMENTS	406	202	-204
CASH, JANUARY 1	29,380	29,380	0
CASH, DECEMBER 31	\$ 29,786	29,582	-204

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit O

RANDOLPH COUNTY, MISSOURI  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
LAW LIBRARY FUND

Year Ended December 31,			
1998			
	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS			
Charges for services	\$ 3,500	5,572	2,072
Total Receipts	3,500	5,572	2,072
DISBURSEMENTS			
Law Library	8,535	6,665	1,870
Total Disbursements	8,535	6,665	1,870
RECEIPTS OVER (UNDER) DISBURSEMENTS	-5,035	-1,093	3,942
CASH, JANUARY 1	5,035	5,035	0
CASH, DECEMBER 31	\$ 0	3,942	3,942

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit P

RANDOLPH COUNTY, MISSOURI  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
JUVENILE OFFICER TUTORING FUND

Year Ended December 31,			
1998			
	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS			
<b>Donations</b>	\$ 1,000	500	-500
Total Receipts	1,000	500	-500
DISBURSEMENTS			
Juvenile Officer	1,819	708	1,111
Total Disbursements	1,819	708	1,111
RECEIPTS OVER (UNDER) DISBURSEMENTS	-819	-208	611
CASH, JANUARY 1	819	819	0
CASH, DECEMBER 31	\$ 0	611	611

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit Q

RANDOLPH COUNTY, MISSOURI  
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL  
PROSECUTING ATTORNEY BAD CHECK FUND

Year Ended December 31,			
1997			
	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS			
Intergovernmental	\$ 6,200	27,429	21,229
Charges for services	1,100	32,361	31,261
Interest	0	920	920
Total Receipts	7,300	60,710	53,410
DISBURSEMENTS			
Prosecuting Attorney	7,302	30,379	-23,077
Transfers out	0	26,000	-26,000
Total Disbursements	7,302	56,379	-49,077
RECEIPTS OVER (UNDER) DISBURSEMENTS	-2	4,331	4,333
CASH, JANUARY 1	516	17,843	17,327
CASH, DECEMBER 31	\$ 514	22,174	21,660

The accompanying Notes to the Financial Statements are an integral part of this statement.

## Notes to the Financial Statements



RANDOLPH COUNTY, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Reporting Entity and Basis of Presentation

The accompanying special-purpose financial statements present the receipts, disbursements, and changes in cash of various funds of Randolph County, Missouri, and comparisons of such information with the corresponding budgeted information for various funds of the county. The funds presented are established under statutory or administrative authority, and their operations are under the control of the County Commission, an elected county official, or the Health Center Board. The General Revenue Fund is the county's general operating fund, accounting for all financial resources except those required to be accounted for in another fund. The other funds presented account for financial resources whose use is restricted for specified purposes.

B. Basis of Accounting

The financial statements are prepared on the cash basis of accounting; accordingly, amounts are recognized when received or disbursed in cash. This basis of accounting differs from generally accepted accounting principles, which require revenues to be recognized when they become available and measurable or when they are earned and expenditures or expenses to be recognized when the related liabilities are incurred.

C. Budgets and Budgetary Practices

The County Commission and other applicable boards are responsible for the preparation and approval of budgets for various county funds in accordance with Sections 50.525 through 50.745, RSMo 1994 and RSMo Cumulative Supp. 1998, the county budget law. These budgets are adopted on the cash basis of accounting.

Although adoption of a formal budget is required by law, the county did not adopt formal budgets for the following funds:

<u>Fund</u>	<u>Years Ended December 31,</u>
Prosecuting Attorney Bad Check Fund	1998
Parenting Class Fund	1998
Sheriff Fund	1997
Local Emergency Planning Commission Fund	1997
Circuit Clerk Interest Fund	1997
Associate Circuit Division Interest Fund	1997
Cemetery Trust Fund	1997
Law Library Fund	1997
Juvenile Officer Tutoring Fund	1997

Warrants issued were in excess of budgeted amounts for the following funds:

<u>Fund</u>	<u>Years Ended December 31,</u>
Law Enforcement Training Fund	1998
Recorder's User Fee Fund	1998
Domestic Abuse Fund	1998
Sheriff Fund	1998
Cemetery Trust Fund	1998
Assessment Fund	1997
Prosecuting Attorney Training Fund	1997
Prosecuting Attorney Bad Check Fund	1997

Section 50.740, RSMo 1994, prohibits expenditures in excess of the approved budgets.

A deficit budget balance is presented for the General Revenue Fund for the years ended December 31, 1998 and 1997.

However, the budgets of that fund also included other resources available to finance current or future year disbursements. Generally, other available net resources represented current year property taxes not received before December 31. Such resources were sufficient to offset the deficit budget balances presented.

#### D. Published Financial Statements

Under Sections 50.800 and 50.810, RSMo 1994, the County Commission is responsible for preparing and publishing in a local newspaper a detailed annual financial statement for the county. The financial statement is required to show receipts or revenues, disbursements or expenditures, and beginning and ending balances for each fund.

However, the county's published financial statements did not include the following funds:

<u>Fund</u>	<u>Years Ended December 31,</u>
Circuit Clerk Interest Fund	1998 and 1997
Associate Circuit Division Interest Fund	1998 and 1997
Cemetery Trust Fund	1998 and 1997
Law Library Fund	1998 and 1997
Juvenile Officer Tutoring Fund	1998 and 1997
Prosecuting Attorney Delinquent Tax Fund	1998 and 1997
Prosecuting Attorney Bad Check Fund	1998
Parenting Class Fund	1998
Health Center Fund	1997

## 2. Cash

Section 110.270, RSMo 1994, based on Article IV, Section 15, Missouri Constitution, authorizes counties to place their funds, either outright or by repurchase agreement, in U.S. Treasury and agency obligations. In addition, Section 30.950, RSMo Cumulative Supp. 1998, effective August 28, 1997, requires political subdivisions with existing authority to invest in instruments other than

depository accounts at financial institutions to adopt a written investment policy. Among other things, the policy is to commit a political subdivision to the principles of safety, liquidity, and yield (in that order) when managing public funds and to prohibit purchase of derivatives (either directly or through repurchase agreements), use of leveraging (through either reverse repurchase agreements or other methods), and use of public funds for speculation. The county has not adopted such a policy.

Cash includes both deposits and investments. In accordance with Statement No. 3 of the Governmental Accounting Standards Board, *Deposits with Financial Institutions, Investments (Including Repurchase Agreements), and Reverse Repurchase Agreements*, disclosures are provided below regarding the risk of potential loss of deposits and investments. For the purposes of these disclosures, deposits with financial institutions are demand, time, and savings accounts, including certificates of deposit and negotiable order of withdrawal accounts, in banks, savings institutions, and credit unions. Investments are securities and other assets acquired primarily for the purpose of obtaining income or profit.

### Deposits

The financial statements do not include the cash balances of the County Collector, who collects and distributes property taxes as an agent for various local governments. However, for the purpose of these risk disclosures, the County Collector's cash balances are included since collateral securities to cover amounts not covered by federal depository insurance are pledged to the county rather than to specific county officials.

At December 31, 1998 and 1997, the reported amount of the county's deposits were \$5,519,008 and \$4,453,908, respectively, and the bank balances were \$5,643,888 and \$4,565,236, respectively. Of the county's bank balances at December 31, 1998 and 1997, \$1,311,108 and \$1,373,017, respectively, were covered by federal depository insurance and \$4,332,780 and \$3,192,219, respectively, were covered by collateral pledged by one bank and held in the county's name by the safekeeping department an affiliate of the same bank holding company.

The Health Center Board's deposits at December 31, 1998 and 1997, were entirely covered by federal depository insurance or by collateral securities held by the Health Center Board's custodial bank in the Health Center Board's name.

### Investments

The only investment of the various funds at December 31, 1998 and 1997, was a repurchase agreement with reported amounts of \$1,400,000 and \$1,500,000, respectively, which approximated fair value.

These investments represent uninsured and unregistered investments for which the securities were held by the safekeeping department of an affiliate of the same bank holding company in the county's name.

## 3. Use Tax Liability

The local use tax under Section 144.748, RSMo 1994, was struck down in its entirety by the Missouri Supreme Court in *Associated Industries of Missouri v. Director of Revenue*, 918 S.W.2d 780 (Mo. banc 1996). In *St. Charles County v. Director of Revenue*, 961 S.W.2d 44

(Mo. banc 1998), the Missouri Supreme Court ruled that local use taxes paid prior to the repeal of Section 144.748, RSMo 1994, must be refunded to taxpayers and authorized the Department of Revenue (DOR) to withhold amounts otherwise due to political subdivisions to the extent such withholding is necessary to cover the refund expense. On March 24, 1998, the Cole County Circuit Court entered final judgment in accordance with the Supreme Court's opinion and ordered the DOR to process refund claims filed.

The county has received \$175,743 in local use tax since its inception. The DOR has estimated the county's share of the total refund liability to be \$94,783. As of December 31, 1998, \$35,545 remains to be paid.

## Supplementary Schedule

Schedule

RANDOLPH COUNTY, MISSOURI  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Federal CFDA Number	Federal Grantor/Pass-Through Grantor/Program Title	Pass-Through Entity Identifying Number	Federal Expenditures	
			Year Ended December 31,	
			1998	1997
U. S. DEPARTMENT OF AGRICULTURE				
Passed through state Department of Health -				
10.557	Special Supplemental Nutrition Program for Women, Infants, and Children	ER0045-9188	\$ 27,088	0
		ER0045-8188	75,175	23,900
		ER0045-7188	0	64,952
	Program Total		102,263	88,852
10.558	Breastfeeding Grant	ER0045-7188	0	2,465
	Child and Adult Care Food Program	ER0046-80115	13,304	5,628
		ER0046-7669	0	15,996
	Program Total		13,304	24,089
U.S. DEPARTMENT OF JUSTICE				
Passed through state:				
Department of Public Safety -				
16.554	National Criminal History Improvement Program	N/A	12,817	0
16.588	Violence Against Women	97-VAWA-0056	51,630	0
		96-VAPA-0039	0	25,441
	Program Total		51,630	25,441
16.592	Local Law Enforcement Block Grants Program	97-LBG-087	9,000	0
16.unknown	Missouri Sheriffs' Association - Domestic Cannabis Eradication/Suppression Program	N/A	779	0
U. S. DEPARTMENT OF TRANSPORTATION				
Passed through state Department of Public Safety -				
20.600	State and Community Highway Safety Program	99-SA-09-4	19,164	0
		98-SA-09-4	58,900	24,663
		97-SA-09-4	0	45,539
	Program Total		78,064	70,202
GENERAL SERVICES ADMINISTRATION				
Passed through state Office of Administration -				
39.003	Donation of Federal Surplus Personal Property	N/A	5,834	1,532
U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Passed through state:				
Department of Health -				
93.268	Immunization Grants	PG0064-8A88IAP	5,260	0
		ERO146-8188GPH	0	2,225
		ERO146-7188GPH	0	2,015
	Program Total		5,260	4,240
93.393	Cancer Cause and Prevention Research	AOC7000129	0	31,384

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93.563	Department of Social Services -			
	Child Support Enforcement	N/A	3,042	2,590
93.575	Department of Health -			
	Child Care and Development Block Grant -			
	Nursing Consultation to Child Care Facilities	ERO146-9188CCNC	3,403	0
		ERO146-8188CCNC	6,080	1,413
		ERO146-7188CCNC	<u>0</u>	<u>2,478</u>
	Program Total		<u>9,483</u>	<u>3,891</u>
	Local Sanitation Inspections for Childcare Facilities	PG0067-9188	285	0
		PG0067-8188	<u>2,390</u>	<u>0</u>
	Program Total		<u>2,675</u>	<u>0</u>
93.919	Cooperative Agreements for State-Based Comprehensive Breast and Cervical Cancer Early Detection Programs	N/A	0	1,996
93.991	Preventive Health and Health Services Block Grant -			
	Multi County Health Educator Program	AOC9000099	5,765	0
		AOC8000074	25,364	2,136
		AOC7000070	<u>0</u>	<u>14,100</u>
	Program Total		<u>31,129</u>	<u>16,236</u>
93.994	Maternal and Child Health Services			
	Block Grant to the States	ER0146-9188	864	0
		ER0146-8188	20,972	2,456
		ER0146-7188	<u>0</u>	<u>20,124</u>
	Program Total		<u>21,836</u>	<u>22,580</u>
	Comprehensive Family Planning Services	ER0175-9188FP	4,692	0
		ER0175-8188FP	11,454	4,037
	Program Total	ER0175-7188FP	<u>0</u>	<u>11,579</u>
			<u>16,146</u>	<u>15,616</u>
	Postponing Sexual Involvement	ER0146-8009-8188	5,611	0
	Home Visitation Implementation	AOC8000164	51,028	8,972
	Program Total	AOC8000058	<u>0</u>	<u>34,995</u>
			<u>51,028</u>	<u>43,967</u>
93.Unknown	Safe Kids Coalition Grant	C800070001	1,981	0
		C702391001	<u>0</u>	<u>2,000</u>
	Program Total		<u>1,981</u>	<u>2,000</u>
	Total Expenditures of Federal Awards		<u>\$ 421,882</u>	<u>354,616</u>

N/A - Not applicable

The accompanying Notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule.

Notes to the Supplementary Schedule



RANDOLPH COUNTY, MISSOURI  
NOTES TO THE SUPPLEMENTARY SCHEDULE

1. Summary of Significant Accounting Policies

A. Purpose of Schedule and Reporting Entity

The accompanying Schedule of Expenditures of Federal Awards has been prepared to comply with the requirements of OMB Circular A-133. This circular requires a schedule that provides total federal awards expended for each federal program and the Catalog of Federal Domestic Assistance (CFDA) number or other identifying number when the CFDA information is not available.

The schedule includes all federal awards administered by Randolph County, Missouri.

B. Basis of Presentation

OMB Circular A-133 includes these definitions, which govern the contents of the schedule:

*Federal financial assistance* means assistance that non-Federal entities receive or administer in the form of grants, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other assistance, but does not include amounts received as reimbursement for services rendered to individuals . . . .

*Federal award* means Federal financial assistance and Federal cost-reimbursement contracts that non-Federal entities receive directly from Federal awarding agencies or indirectly from pass-through entities. It does not include procurement contracts, under grants or contracts, used to buy goods or services from vendors.

Accordingly, the schedule includes expenditures of both cash and noncash awards.

C. Basis of Accounting

Except as noted below, the schedule is presented on the cash basis of accounting, which recognizes amounts only when disbursed in cash.

Amounts for the National Criminal History Improvement Program (CFDA number 16.554) and the Donation of Federal Surplus Personal Property Program (CFDA number 39.003) represent the estimated fair market value of property at the time of receipt.

2. Subrecipients

Of the federal expenditures presented in the schedule, the county provided \$78,064 and \$70,202 to a subrecipient under the State and Community Highway Safety Program (CFDA number 20.600) during the years ended December 31, 1998 and 1997.

FEDERAL AWARDS -  
SINGLE AUDIT SECTION

## State Auditor's Report



**CLAIRE C. McCASKILL**  
**Missouri State Auditor**

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH  
REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL  
CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

To the County Commission  
and  
Officeholders of Randolph County, Missouri

Compliance

We have audited the compliance of Randolph County, Missouri, with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the years ended December 31, 1998 and 1997. The county's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the county's management. Our responsibility is to express an opinion on the county's compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the county's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the county's compliance with those requirements.

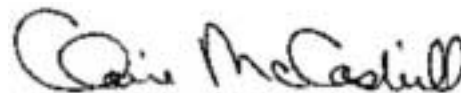
In our opinion, Randolph County, Missouri, complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the years ended December 31, 1998 and 1997.

### Internal Control Over Compliance

The management of Randolph County, Missouri, is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the county's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with the applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended for the information of the management of Randolph County, Missouri; federal awarding agencies and pass-through entities; and other applicable government officials. However, this report is a matter of public record and its distribution is not limited.



Claire McCaskill  
State Auditor

May 27, 1999 (fieldwork completion date)

Schedule

RANDOLPH COUNTY, MISSOURI  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
(INCLUDING MANAGEMENT'S PLAN FOR CORRECTIVE ACTION)  
YEARS ENDED DECEMBER 31, 1998 AND 1997

**Section I - Summary of Auditor's Results**

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

Material weakness identified?        yes   X   no

Reportable condition identified that is  
not considered to be a material weakness?        yes   X   none reported

Noncompliance material to the financial statements  
noted?        yes   X   no

Federal Awards

Internal control over major programs:

Material weakness identified?        yes   X   no

Reportable condition identified that is  
not considered to be a material weakness?        yes   X   none reported

Type of auditor's report issued on compliance for  
major programs: Unqualified

Any audit findings disclosed that are required to be  
reported in accordance with Section .510(a) of OMB  
Circular A-133?        yes   X   no

Identification of major programs:

CFDA or  
Other Identifying

<u>Number</u>	<u>Program Title</u>
10.557	Special Supplemental Nutrition Program for Women, Infants, and Children

20.600 State and Community Highway Safety Program  
93.994 Maternal and Child Health Services Block Grant to the States

Dollar threshold used to distinguish between Type A  
and Type B programs: \$300,000

Auditee qualified as a low-risk auditee? ☐ yes ☒ no

## **Section II - Financial Statement Findings**

This section includes no audit findings that *Government Auditing Standards* requires to be reported for an audit of financial statements.

## **Section III - Federal Award Findings and Questioned Costs**

This section includes no audit findings that Section .510(a) of OMB Circular A-133 requires to be reported for an audit of federal awards.



Follow-Up on Prior Audit Findings for an  
Audit of Financial Statements Performed in Accordance  
With *Government Auditing Standards*

RANDOLPH COUNTY, MISSOURI  
FOLLOW-UP ON PRIOR AUDIT FINDINGS FOR AN  
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH *GOVERNMENT AUDITING STANDARDS*

Our prior audit report issued for the three years ended December 31, 1996, included no audit findings that *Government Auditing Standards* requires to be reported for an audit of financial statements.

Summary Schedule of Prior Audit Findings  
in Accordance With OMB Circular A-133

RANDOLPH COUNTY, MISSOURI  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
IN ACCORDANCE WITH OMB CIRCULAR A-133

Section .315 of OMB Circular A-133 requires the auditee to prepare a Summary Schedule of Prior Audit Findings to report the status of all findings that are relative to federal awards and included in the prior audit report's Schedule of Findings and Questioned Costs. The summary schedule also must include findings reported in the prior audit's Summary Schedule of Prior Audit Findings, except those listed as corrected, no longer valid, or not warranting further action.

Section .500(e) of OMB Circular A-133 requires the auditor to follow up on these prior audit findings; to perform procedures to assess the reasonableness of the Summary Schedule of Prior Audit Findings; and to report, as a current year finding, when the auditor concludes that the schedule materially misrepresents the status of any prior findings.

Our prior audit report issued for the three years ended December 31, 1996, included no audit findings that Section .510(a) of OMB Circular A-133 requires to be reported for an audit of federal awards.

## SECTION ON OTHER MATTERS

RANDOLPH COUNTY, MISSOURI  
LETTER ON OTHER MATTERS

We have audited the special-purpose financial statements of various funds of Randolph County, Missouri, as of and for the years ended December 31, 1998 and 1997, and have issued our report thereon dated May 27, 1999. We also have audited the compliance of Randolph County, Missouri, with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the years ended December 31, 1998 and 1997, and have issued our report thereon dated May 27, 1999.

We did not review the operations of elected officials with funds other than those presented in the special-purpose financial statements. The operations of such officials will be reviewed and reported on during the state auditor's next scheduled audit of the county.

This Letter on Other Matters presents matters other than the findings, if any, reported in the accompanying Schedule of Findings and Questioned Costs. These matters resulted from our audits of the special-purpose financial statements of Randolph County and of its compliance with the types of compliance requirements applicable to each of its major federal programs but do not meet the criteria for inclusion in the written reports on compliance and on internal control over financial reporting or compliance that are required for audits performed in accordance with *Government Auditing Standards* and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Nevertheless, the county should consider these matters and take appropriate corrective action.

1.     Financial Condition

The General Revenue Fund has experienced a declining cash balance over the past several years. The cash balance has decreased from \$28,223 at January 1, 1997 to \$(88,344) at December 31, 1998. In addition, the 1999 budget anticipated disbursements to exceed receipts by \$236,323.

2.     Budgetary and Financial Reporting Practices

Disbursements were made in excess of approved budgets during the audit period for various county funds. The annual published financial statements did not include some county funds as required by law.

3.     County Disbursements and Contracts

The supporting documentation for some disbursements authorized by the Sheriff and Prosecuting Attorney was not forwarded to the county with the related requests for payment. Several instances were noted where evidence of the receipt of goods or services was not documented on the supporting invoice for other county purchases. The county does not have a signed written agreement with the Prosecuting Attorney for rent of an office outside the courthouse that is also used for private practice. While it appears a written contract was drafted, it has never been signed.

In addition, the county does not prepare an IRS Form 1099-MISC information return for the Prosecuting Attorney for payments of office space rentals.

4. Monitoring of Subrecipients

The county forwards county funds equal to one-twelfth of the State and Community Highway Safety Program federal grant award to Northern Missouri Safe Communities (NMSC) each month. The County Commission does not adequately monitor the amount of the monthly unexpended cash balance on hand at NMSC. Based on unspent county money returned to the county in October 1998, totaling \$18,029, it appears that excessive cash balances had been advanced to NMSC.

5. Schedule of Federal Awards

The Schedule of Federal Awards prepared by the County Clerk contained various errors and omissions.

6. Computer Controls

Passwords used by employees of the Assessor, County Clerk, and Collector are not changed on a periodic basis. In addition, the county does not have a formal contingency plan in the event of a disaster.

7. General Fixed Assets

Various fixed asset purchases were not recorded in the fixed asset listing. Annual inventories of county property are not performed and reconciled to the fixed asset listing. Vehicle logs are not maintained for Road and Bridge vehicles. County vehicle usage is not reconciled to fuel purchased.

8. Health Center Policies and Procedures

Annual leave accrued by one employee was not done in accordance with Health Center policy. The Health Center does not have a formal contingency plan in the event of a disaster and computer backup disks are not stored off-site. The Health Center fixed asset listing does not always include the purchase price, purchase date, and disposition of items, and fixed asset purchases are not reconciled to the fixed asset listing. The Schedule of Federal Awards prepared by the Health Center and submitted to the county contained various errors and omissions.

This Letter on Other Matters is intended for the information of the management of Randolph County, Missouri, and other applicable government officials. However, this letter is a matter of public record and its distribution is not limited.